

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

M/s. Kovur Co-operative Sugar Factory Ltd. – Poor performance of Sugar Factory after its modernization and expansion – Enquiry officer appointed for detailed enquiry – orders – issued.

INDUSTRIES & COMMERCE (Sugar & IFR) DEPARTMENT

G.O.RT.No.290

Dated: 16 .09.2014

Read the following:

1. G.O.Ms.No.389, Ind. & Com. Dept. dated 4.7.2011.
2. From the CoS & CC, Hyderabad Lr. Rc.No.609/2009/D2, dt.2.9.2013, 11.10.2013 & 19.12.2013.
3. G.O.Ms.No.5, Ind. & Com. (Sugar) Dept. dated :8.1.2014.
4. Minutes of the Review Meeting held by the Hon'ble Chief Minister on Sugar Industry on 9.9.2014.

ORDER:

The Commissioner of Sugar & Cane Commissioner, AP, Hyderabad in the 2nd read above has informed that during the year 2001, the Kovur Co-operative Sugar Factory availed an amount of Rs.473.71 Lakhs as loan towards Modernization & Expansion Programme from Sugar Development Fund (SDF), Government of India and the said loan amount has to be repayable in 5 equal installments i.e., after expiry of one year of the repayment of NCDC term loan.

2. The Government of Andhra Pradesh have sanctioned Rs.713.45 lakhs to Commissioner of Sugar as loan towards repayment of dues to Sugar Development Fund, Government of India, on behalf of Kovur Co-operative Sugar Factory Ltd. vide G.Os. 1st and 3rd read above.

3. During the Review Meeting held by the Hon'ble Chief Minister on Sugar Industry on 9.9.2014, It is found that M/s. Kovur Co-operative Sugar Factory, Nellore had incurred losses of Rs.15.55 crores in 2011-12 and Rs.10.66 crores in 2012-13 and total accumulated losses as on 31.3.2013 was Rs.117.66 crores. The Net Worth of the Factory was (-) Rs.99.11 crores. The average sugar recovery was only 7.72%. There was no sugarcane crushing during 2013-14 season. The salaries to the employees were pending since 1.4.2013 amounting to Rs.7.65 crores. It was also noticed that the Sugar Factory was crippled with number of difficulties even after modernization and expansion of the factory during 2001. Since the performance of M/s. Kovur Co-operative Sugar Factory is poor on various parameters after its modernization and expansion, it was decided to get a detailed enquiry done in the matter.

4. Government after careful examination of the matter, hereby order to appoint a Dr. P. Lakshminarasimham IAS, Joint Secretary (Vigilance), Office of Chief Commissioner of Land Administration, Government of Andhra Pradesh as an Enquiry Officer for detailed enquiry

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on the poor performance of M/s. Kovur Co-operative Sugar Factory after its modernization and expansion. He is requested to furnish his detailed enquiry report within 30 days.

5. The Commissioner of Sugar & Cane Commissioner, Government of Andhra Pradesh and Managing Director, Kovur Co-operative Sugar Factory shall cooperate with Dr. P. Lakshminarasimham, IAS, Joint Secretary, office of the Chief Commissioner of Land Administration, & Enquiry Officer for furnishing the report in time.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

J.S.V.PRASAD
PRINCIPAL SECRETARY TO GOVERNMENT & CIP

To :

Dr. P. Lakshminarasimham, IAS, Joint Secretary (Vigilance), Office of Chief Commissioner of Land Administration, Government of Andhra Pradesh, Hyderabad.

The Commissioner of Sugar & Cane Commissioner, Government of AP, Hyderabad .

The District Collector, Nellore.

The Managing Director, Kovur Co-operative. Sugar Factory Ltd., Nellore.

Copy to:

The PS to Chief Commissioner of Land Admn., Government of Andhra Pradesh, Hyderabad.

The P.S to Principal Secretary to Government & CIP, I&C Department .

The P.S to Secretary to C.M , Government of A.P.

The P.S.to Chief Secretary to Government of A.P.

SF/SC.

//FORWARDED :: BY ORDER//

SECTION OFFICER